— All expenses starting from customs clearance, customs duty etc. till the goods are sold to local buyers are to be borne by STC;

— The title of the goods shall remain with the SBC till the goods are purchased and paid for by STC. Price for the specific quantity intended to be purchased is to be fixed by obtaaining quotation from SBC.

**Export of Jewellery**

12. KUMARI NIRMALA DESHPANDE: Will the Minister of COMMERCE be pleased to state:

(a) what has been the export earnings from gems/diamonds and jewellery for the last five years and projections for exports during the next five years;

(b) whether Government have taken fresh initiatives to harness huge export potential of diamond industry with a pragmatic package of financial incentives and facilitations;

(c) if so, the details thereof; and

(d) the details of efforts made/proposed to up grade the technology?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHAN HEGDE): (a) Export earnings from gems\diamods and jewellery for the last 5 years is as follows:

(Value US $ Million)

| 1993-94 | 1994-95 | 1995-96 | 1996-97 | 1997-98 |
|---|---|---|---|---|
| 3994.70 | 4500.40 | 5275.44 | 4744.30 | 5093.40 |

Source: Directorate General of Commercial Intelligence and Statastics (DGCI &S), Calcutta.

Considering the present trend of exports of gems and jewellery, it is expected that the total exports of gems & jewellery may cross US$ 7000 million by the end of next 5 years.

(b) and (c) Significant modification have been made in the Exim Policy to meet the growing needs of the trade and make it export friendly. Some of the important initiatives taken to harness the export potential of diamod industry are: (i) Private/public bonded warehouses have been permitted in Export Processing Zones (EPZs) Domestic Tariff Area (DTA) for import, supply and re-export of rough diamonds and precious & semi-precious stones. Besides import and re-exports of cut and polished, precious & semi-precious stones is also permitted with a minimum value addition of 5% (ii) Permission has been given to Export Processing Zones (EPZs) Export Oriented Units (EOUs) to supply unsuitable or broken, cut & polished diamonds, precious & semi-precious stones or rough diamonds upto 5% of the value of import or indigenously procured goods to the Domestic Tariff Area (DTA) against valid (REP or GEM REP or Diamond Imprest Licence on payment of appropriate duty, (iii) Export or rough diamond has been permitted with 95% against relevant Bill of Entry in the name of exporter, (iv) Overseas companies with branch offices in India with an average annual diamond turnover of not less than Rs. 150 crores during the preceding three licenssing years, have been made eligible to obtain bulk licence for import and sale of rough diamonds.

(b) With a view to encourage the modernisation and upgradation of machinery and equipment in the gems & jewellery industies, the threshold limit of the CIF value of the Capital Goods for zero import dury under the export Promotion Capital Goods (EPCG) scheme has been brought down form the earlier level of Rs. 20 crores to Rs. 1 crore only. The Gem & Jewellery Export Promotion Council (GJEPC) has been interacting with the Research and Development Wing of the multinational companies dealing in diamonds and has been disseminating the latest available information on latest technological developments in the processing of rough diamonds to all its members. The Indian Diamod Institute, Surat which has been promoted by GJEPC and Ministry of Commerce, has also been imparting training to the diamond industry in the use of new technologies and processes.

**Dumping of Hard Ferrite Ring Magnet**

13. SHRI VEDPRAKASH P. GOYAL: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact the during 96-97 hard ferrite ring magnets were being dumped into India in huge quantities from China;